

In the Specification:

Please amend the description of FIG. 7 in paragraph [0052] of the published application as follows:

[0052] FIG. 7 shows a flow chart of a method for grant optimization by an OLT according to the present invention, in which multiple entities belonging to one ONU are taken into account. In step 700, an OLT receives a list of all grants to be transmitted. In step 702, the OLT starts to handle a grant for an entity by retrieving an unhandled grant from the grant list, and storing its content in a current grant variable storage (or just "current grant variable"). It is understood that this grant (for this entity) was not handled previously. After handling by the OLT, the grant is deleted from the list, to avoid multiple handling. In step 704, before data transmission begins, the transmitted grant length in time units is combined by the OLT with optical overhead such as laser-on delay, CDR lock time, AGC lock time and comma synchronization. In step 706, the OLT searches for other grants belonging to this ONU. If other grants are not found (grant not found or "negative answer"), the OLT adds in step 708 additional optical overhead, e.g. laser-off delay time for grant termination. In step 710, the OLT transmits the grant information, as stored in the current grant variable, to the ONU. In step 711, the OLT checks the grant list. If the grant list is empty, the execution returns to step 702 the function completes operation and stops. If the grant list is not empty, the execution continues from step 702.

In the Drawings:

Please replace original FIG. 7 with the corrected Replacement FIG. 7 provided herein